

1 **MINUTES OF THE MEETING OF THE**
2 **SABINE RIVER AUTHORITY**
3 **STATE OF LOUISIANA**
4 **BOARD OF COMMISSIONERS**
5 **CYPRESS BEND RESORT**
6 **MANY, LA**
7 **1:00PM THURSDAY, JANUARY 25, 2007**
8
9

10 **MEMBERS PRESENT:** **Mr. Norman Arbuckle, Chairman**
11 **Mr. Daniel Cupit, Vice-Chairman**
12 **Mr. Carlton Gibson**
13 **Mr. Larry Kelly**
14 **Mr. Therman Nash**
15 **Mrs. Estella Scott**
16 **Mr. Ronald Steed**
17 **Mr. Stanley Vidrine**
18

19 **MEMBERS ABSENT:** **Mr. Steve Racca**
20 **Mr. Kermie Valentine**
21

22 **OTHERS PRESENT:** **Jim Pratt, Executive Director-SRA, Many, LA**
23 **Becky Anderson, Adm. Asst. 5-SRA, Many, LA**
24 **Mike Carr, Fac. Maint. Mgr 3-SRA, Many, LA**
25 **Carl Chance, IT GEO Super-SRA, Many, LA**
26 **Kellie Ferguson, Adm. Mgr 4-SRA, Many, LA**
27 **Mike Rankin, Eng-SRA, Many, LA**
28

29 **There were ten visitors.**
30

31 Mr. Arbuckle called the meeting to order. Mr. Nash offered the Prayer and Mr.
32 Pratt led the Pledge of Allegiance. The roll was called and it was noted that Mr. Racca
33 and Mr. Valentine were absent.

34 Mr. Arbuckle asked if there were any additions or deletions to the agenda. Mr.
35 Pratt stated that under Old Business, add Item #3-Hallmark Oil and Gas Pipeline Request.
36 Hearing no other, Mr. Arbuckle asked for a motion to adopt the amended agenda. **Mr.**
37 **Steed moved, seconded by Mr. Kelly to adopt the amended agenda. Motion carried.**

38 Mr. Arbuckle asked for a motion to approve the minutes of the November 9, 2006
39 meeting that were circulated in the packet. **Mr. Cupit moved, seconded by Mrs. Scott**
40 **to approve the minutes of the November 9, 2006 meeting as circulated. Motion**
41 **carried.**

42 Staff Reports: Mr. Arbuckle stated that Mr. Rankin would give an update on the
43 lake level. Mr. Rankin explained that October 16, 2006 the lake level was at its all time
44 low of 161.25. He stated that the lake had come up 11 ft. in approximately 13 weeks. He
45 stated that the present elevation was 172.0' msl. He explained what conditions might
46 have been if we had been at 168' msl instead of 161.25 were we started from. He

1 encouraged the Board to address all aspects of the compromise that our operating guide
2 entails, specifically the downstream flooding issue, before we change to any other
3 operation of the reservoir. Mr. Arbuckle asked for a motion to approve the staff reports
4 as circulated and presented. **Mr. Cupit moved, seconded by Mrs. Scott to approve the**
5 **Staff reports as circulated and as presented. Motion carried.**

6 Public Comments: None.

7 Old Business: Item #1-Authorize acceptance of Ebarb Water Proposal: Mr. Pratt
8 stated that at the November meeting, the Board had approved to move forward with the
9 transfer of the water distribution system to Ebarb Water District. He stated that Ebarb
10 would like to pay SRA \$490,000 and to pay the rest in monthly installments so Ebarb
11 could pay their attorney and engineer. He stated that staff was recommending to the
12 Board to accept the proposal to complete the transfer. Mr. Kelly asked about possible
13 interest to be charged on the remaining balance of the \$515,000. Mr. Pratt stated that he
14 had not discussed the issue with Ebarb. **Mr. Steed moved, seconded by Mr. Cupit to**
15 **accept the proposal from Ebarb Water District to pay SRA \$490,000 and to make**
16 **monthly installments to pay the remaining balance of \$25,000 and for the Executive**
17 **Director to execute the necessary documents to complete the transaction. Yeas: 9**
18 **Nays: 1(Kelly). Motion carried.**

19 Item #2-Authorize Executive Director to execute act of donation for the Virginia
20 Bailey Memorial Garden: Mr. Pratt stated that the Board had previously approved
21 acceptance of the Garden from the Bailey Family once it was completed which included
22 maintaining the garden. He stated that the Board needed to authorize the Executive
23 Director to execute the documents of donation on behalf of the SRA and the State of
24 Louisiana. **Mr. Cupit moved, seconded by Mrs. Scott to authorize the Executive**
25 **Director to execute the necessary documents for the donation and acceptance of the**
26 **Virginia Bailey Memorial Garden. Motion carried.**

27 Item #3-Hallmark Oil & Gas Pipeline Request: Mr. Chance presented each
28 member present with a map showing the request from Hallmark Oil & Gas for right-of-
29 way for their pipeline. He stated that at the Board meeting of July 28, 2005, approval
30 was given to Hallmark for right-of-way to a gas well on SRA property. He stated that
31 staff recommends that the Board grant approval of the request and authorize the

1 Executive Director to execute the documents. **Mr. Kelly moved, seconded by Mr. Nash**
2 **to approve the pipeline right-of-way request by Hallmark Oil and Gas and to**
3 **authorize the Executive Director to execute the necessary documents. Motion**
4 **carried.**

5 New Business: Item #1-Approve Employee Merit Increases and Lift Promotion
6 Freeze: Mr. Pratt stated that since a new year had begun, it was time for merit increases
7 for some of the employees and he would like to recommend to the Board that the merit
8 increase from 2006 be granted to all eligible employees and lift the promotion freeze. He
9 stated that during the past year, many employees left the agency and those positions were
10 not replaced. He stated that a new year had begun and it was time to grant merit
11 increases to eligible employees and in order to bring those employees up to level, it
12 would be necessary to grant the 2006 merit increase which would cost approximately
13 \$21,000. Mr. Cupit stated that since February 2007 was the time for the Executive
14 Director's merit increase and was approaching, he would like to proceed with issuing that
15 merit increase as well. **Mr. Steed moved, seconded by Mr. Nash to grant all eligible**
16 **employees their 2006 merit increase retrospectively back to their anniversary date**
17 **and to lift the promotion freeze and move forward with the 4% merit increase for**
18 **the Executive Director's salary for 2007. Motion carried.**

19 Item #2-Approve Replacement Reserve Expenditures by ALH, No.5: Mrs.
20 Ferguson stated that ALH, No. 5 had requested to purchase a truck, greens mower, a
21 fairway mower and an irrigation system upgrade for the golf course out of the placement
22 reserve account. She continued that these purchases were over \$10,000 and the SRA
23 Board must approve these expenditures. **Mr. Cupit moved, seconded by Mr. Steed to**
24 **approve the expenditures by ALH, No.5 from the replacement reserve account for a**
25 **truck, greens mower, fairway mower, and an irrigation system upgrade for the golf**
26 **course. Motion carried.**

27 Item #3-Approve the Financial Reports for October, November, and December
28 2006 Financial Reports: Mrs. Ferguson stated that October revenue was \$278,011.90;
29 expenditures were \$440,323.20 with a loss of \$162,311.30. She continued with
30 November revenue was \$183,932.01; expenditures were \$357,897.04 with a deficit of
31 \$173,962.43. She stated that the month of December showed revenues in the amount of

1 \$117,055.28; expenditures were \$382,961.64 with a deficit of \$265,906.36. She
2 continued that the year-to-date totals were revenue \$1,767,863.39; expenditures were
3 \$2,299,516.06 with a deficit of \$531,652.67. She stated that SRA would be purchasing
4 two mowers to be used in the parks for approximately \$13,000. **Mr. Gibson moved,**
5 **seconded by Mr. Steed to accept the Financial Reports for October, November, and**
6 **December 2006 as presented. Motion carried.**

7 Committee Reports: #1- Diversion Canal: Mr. Cupit called the committee to
8 order. Committee Members Present: Cupit, Gibson, Nash, Scott, Vidrine. Absent:
9 Racca. Agenda Item #1-Authorize Repairs to Pump Stations: Mr. Pratt stated that Mr.
10 Carr would make the presentation concerning the pump station repairs. Mr. Carr stated
11 that initially the committee had asked staff to get bids for the work to be done at Pump
12 Station #3. He stated that this was done; however, SRA was not able financially to
13 proceed with the work. He stated that to improve Pump Station #4, we expended
14 approximately \$10,000 on updating the electrical system and has decreased the wear on
15 our pumps. He stated that staff is recommending that the same update be performed at
16 Pump Station #3. He stated that this particular upgrade should not be as expensive since
17 the software has already been designed and the same software would be used at #3. He
18 stated that this upgrade allows the pumps to operate on a pressure regulation instead of a
19 rpm regulation. He continued that at Pump Station #1- pump #2, there is a 600
20 horsepower motor that is physically burnt. He stated that staff is currently investigating
21 the incident to see if possibly lightening struck the unit or something else happened. He
22 stated approximate cost of replacement of the unit would be over \$100,000. He stated
23 that staff was negotiating with the Office of Risk Management trying to get the insurance
24 to resolve the issue. He stated that if ORM resolves the issue, the cost to SRA would
25 only be the deductible which is \$1,000. **Mr. Vidrine moved, seconded by Mrs. Scott to**
26 **approve upgrading Pump Station #3; to approve replacement of the motor at Pump**
27 **Station #1. Motion carried. Meeting adjourned.**

28 #2-Development & Parks: No meeting.

29 #3-Leaseback & Cutting/Marking: No meeting.

30 Special Committee Reports: #1-Finance & Personnel: No meeting.

31 #2-Fishery & Lake Management: No meeting.

1 #3-Water Sales: No meeting.

2 #4-Litigation: No meeting.

3 Executive Director's Report: Mr. Pratt stated that there had been a positive article
4 written by the Sabine Index and presented each member with a copy. He continued that
5 KTBS Channel 3 from Shreveport had visited the office to discuss lake level. He stated
6 that he had been part of a conference call along with SRA Texas talking with the Federal
7 Energy Regulatory Commission about re-licensing the project. He stated that Mr. Mel
8 Schwobda had been hired to help with the re-licensing. He explained to the Board that
9 House Speaker Joe Salter has plans for the State of Louisiana helping SRA receive
10 \$1,000,000 for this project. He stated that on January 31st, Bart Rumsey, Mike Rankin
11 and he would be attending a meeting in Houston concerning the downstream suites that
12 have been ongoing for several years. With no other additions, he asked the chairman for
13 the Board to approve his report. **Mr. Kelly moved, seconded by Mr. Cupit to approve**
14 **the Executive Director's Report as presented and circulated. Motion carried.**

15 Legal Report: None.

16 Mr. Arbuckle stated that the next meeting would be held on February 22, 2007 at
17 1:00pm at the Pendleton Bridge Office. Mr. Pratt made the comment that the City of
18 DeRidder would like to host the Board of Commissioners for one of the future meetings.
19 Mrs. Scott stated that she would get with the Mayor of the City and finalized plans and
20 then all would be notified.

21 **With no further business, Mr. Cupit moved, seconded by Mr. Vidrine to**
22 **adjourn. Motion carried. Meeting adjourned at 1:50pm.**

24
25
26 
27 **NORMAN ARBUCKLE, CHAIRMAN**

28
29
30 
31 **DANIEL CUPIT, VICE-CHAIRMAN**

32
33
34 
35 **KERMIE VALENTINE, SECRETARY**
36
37